

LEGISLATURE OF THE STATE OF IDAHO
Sixty-third Legislature First Regular Session - 2015

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 19

BY LOCAL GOVERNMENT COMMITTEE

AN ACT

RELATING TO URBAN RENEWAL; AMENDING SECTION 50-2007, IDAHO CODE, TO PROVIDE FOR APPROVAL OF THE LOCAL GOVERNING BODY WHEN INCURRING CERTAIN DEBT AND TO MAKE TECHNICAL CORRECTIONS; AND AMENDING SECTION 50-2012, IDAHO CODE, TO PROVIDE FOR APPROVAL OF THE LOCAL GOVERNING BODY WHEN ISSUING CERTAIN BONDS OR OBLIGATIONS, TO REVISE PROVISIONS RELATING TO THE ISSUANCE OF CERTAIN BONDS AND TO MAKE TECHNICAL CORRECTIONS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 50-2007, Idaho Code, be, and the same is hereby amended to read as follows:

50-2007. POWERS. Every urban renewal agency shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this ~~act~~ chapter, including the following powers in addition to others herein granted:

(a) To undertake and carry out urban renewal projects and related activities within its area of operation; ~~and~~ to make and execute contracts and other instruments necessary or convenient to the exercise of its powers under this ~~act~~ chapter; and to disseminate slum clearance and urban renewal information;

(b) To provide or to arrange or contract for the furnishing or repair by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities or other facilities for or in connection with an urban renewal project; to install, construct, and reconstruct streets, utilities, parks, playgrounds, off-street parking facilities, public facilities, other buildings or public improvements; ~~and~~ any improvements necessary or incidental to a redevelopment project; and to agree to any conditions that it may deem reasonable and appropriate attached to federal financial assistance and imposed pursuant to federal law relating to the determination of prevailing salaries or wages or compliance with labor standards, in the undertaking or carrying out of an urban renewal project and related activities, and to include in any contract let in connection with such a project and related activities, provisions to fulfill such of said conditions as it may deem reasonable and appropriate;

(c) Within its area of operation, to acquire by purchase, lease, option, gift, grant, bequest, devise, eminent domain or otherwise, any real property or personal property for its administrative purposes, together with any improvements thereon; to hold, improve, renovate, rehabilitate, clear or prepare for redevelopment any such property or buildings; to mortgage, pledge, hypothecate or otherwise encumber or dispose of any real property; to insure or provide for the insurance of any real or personal property or operations of the municipality against any risks or hazards, including the power to pay premiums on any such insurance; and to enter into

1 any contracts necessary to effectuate the purposes of this ~~act~~ chapter:
 2 ~~Provided~~ however, that no statutory provision with respect to the acquisi-
 3 tion, clearance or disposition of property by public bodies shall restrict a
 4 municipality or other public body exercising powers hereunder in the exer-
 5 cise of such functions with respect to an urban renewal project and related
 6 activities, unless the legislature shall specifically so state;

7 (d) With the approval of the local governing body~~r~~: (1) prior to ap-
 8 proval of an urban renewal plan, or approval of any modifications of the
 9 plan, to acquire real property in an urban renewal area, demolish and remove
 10 any structures on the property, and pay all costs related to the acquisition,
 11 demolition, or removal, including any administrative or relocation ex-
 12 penses; ~~and~~ (2) to assume the responsibility to bear any loss that may arise
 13 as the result of the exercise of authority under this subsection in the event
 14 that the real property is not made part of the urban renewal project; and (3)
 15 to incur debt pursuant to this act, including bonds or other liabilities or
 16 obligations lasting more than one (1) fiscal year; provided however, that
 17 approval of the local governing body shall not be required for ordinary and
 18 necessary expenses for the administration of the urban renewal agency;

19 (e) To invest any urban renewal funds held in reserves or sinking funds
 20 or any such funds not required for immediate disbursement, in property
 21 or securities in which savings banks may legally invest funds subject to
 22 their control; to redeem such bonds as have been issued pursuant to section
 23 50-2012, Idaho Code, at the redemption price established therein or to pur-
 24 chase such bonds at less than redemption price, all such bonds so redeemed or
 25 purchased to be canceled;

26 (f) In accordance with subsection (d) of this section, tTo borrow money
 27 and to apply for and accept advances, loans, grants, contributions and any
 28 other form of financial assistance from the federal government, the state,
 29 county, or other public body, or from any sources, public or private, for the
 30 purposes of this ~~act~~ chapter, and to give such security as may be required and
 31 to enter into and carry out contracts or agreements in connection therewith;
 32 and to include in any contract for financial assistance with the federal gov-
 33 ernment for or with respect to an urban renewal project and related activ-
 34 ities such conditions imposed pursuant to federal laws as the municipality
 35 may deem reasonable and appropriate and which are not inconsistent with the
 36 purposes of this ~~act~~ chapter;

37 (g) Within its area of operation, to make or have made all surveys and
 38 plans necessary to the carrying out of the purposes of this ~~act~~ chapter and
 39 to contract with any person, public or private, in making and carrying out
 40 such plans and to adopt or approve, modify and amend such plans, which plans
 41 may include, but are not limited to: (1) plans for carrying out a program
 42 of voluntary compulsory repair and rehabilitation of buildings and improve-
 43 ments, (2) plans for the enforcement of state and local laws, codes and regu-
 44 lations relating to the use of land and the use and occupancy of buildings and
 45 improvements and to the compulsory repair, rehabilitation, demolition, or
 46 removal of buildings and improvements, and (3) appraisals, title searches,
 47 surveys, studies, and other plans and work necessary to prepare for the un-
 48 dertaking of urban renewal projects and related activities; and to develop,
 49 test, and report methods and techniques, and carry out demonstrations and
 50 other activities, for the prevention and the elimination of slums and urban

1 blight and developing and demonstrating new or improved means of providing
 2 housing for families and persons of low income and to apply for, accept and
 3 utilize grants of funds from the federal government for such purposes;

4 (h) To prepare plans for and assist in the relocation of persons, in-
 5 cluding individuals, families, business concerns, nonprofit organizations
 6 and others displaced from an urban renewal area, and notwithstanding any
 7 statute of this state to make relocation payments to or with respect to such
 8 persons for which reimbursement or compensation is not otherwise made, in-
 9 cluding the making of such payments financed by the federal government;

10 (i) To exercise all or any part or combination of powers herein granted;

11 (j) In addition to its powers under subsection (b) of this section,
 12 an agency may construct foundations, platforms, and other like structural
 13 forms necessary for the provision or utilization of air rights sites for
 14 buildings and to be used for residential, commercial, industrial, and other
 15 uses contemplated by the urban renewal plan, and to provide utilities to the
 16 development site; and

17 (k) To use, lend or invest funds obtained from the federal government
 18 for the purposes of this ~~aet~~ chapter if allowable under federal laws or regu-
 19 lations.

20 SECTION 2. That Section 50-2012, Idaho Code, be, and the same is hereby
 21 amended to read as follows:

22 50-2012. ISSUANCE OF BONDS. (a) An urban renewal agency shall have
 23 power to issue bonds from time to time in its discretion to finance the un-
 24 dertaking of any urban renewal project under this ~~aet~~ chapter, including,
 25 without limiting the generality thereof, the payment of principal and inter-
 26 est upon any advances for surveys and plans or preliminary loans, and shall
 27 also have power to issue refunding bonds for the payment or retirement of
 28 such bonds previously issued by it. Such bonds shall be made payable, as to
 29 both principal and interest, solely from the income, proceeds, revenues,
 30 and funds of the urban renewal agency derived from or held in connection with
 31 its undertaking and carrying out of urban renewal projects under this ~~aet~~
 32 chapter: ~~Provided,~~ however, that payment of such bonds, both as to prin-
 33 cipal and interest, may be further secured by a pledge of any loan, grant or
 34 contribution from the federal government or other source, in aid of any urban
 35 renewal projects under this ~~aet~~ chapter, and by a mortgage of any such urban
 36 renewal projects, or any part thereof, title to which is in the urban renewal
 37 agency.

38 (b) Bonds issued under this section shall not constitute an indebted-
 39 ness within the meaning of any constitutional or statutory debt limitation
 40 or restriction, and shall not be subject to the provisions of any other law
 41 or charter relating to the authorization, issuance or sale of bonds. Bonds
 42 and other obligations of an urban renewal agency, ~~and such bonds and obli-~~
 43 ~~gations shall so state on their face,~~ shall not be a debt of the munici-
 44 pality, the state or any political subdivision thereof, and neither the mu-
 45 nicipality, the state nor any political subdivision thereof shall be liable
 46 thereon, nor in any event shall such bonds or obligations be payable out of
 47 any funds other than those of said urban renewal agency. Bonds issued under
 48 the provisions of this ~~aet~~ chapter are declared to be issued for an essen-
 49 tial public and governmental purpose and, together with interest thereon and

1 income therefrom, shall be exempted from all taxes. No bonds shall be is-
 2 sued nor other similar obligations incurred as provided for in this section
 3 if obligating county property taxpayers for payment, without the approval of
 4 the local governing body for the purpose of approving or disapproving such
 5 proposed bonds or obligations.

6 (c) In addition to the requirements provided for in subsection (b) of
 7 this section, bBonds issued under this section shall be authorized by reso-
 8 lution or ordinance of the urban renewal agency and may be issued in one (1)
 9 or more series and shall bear such date or dates, be payable upon demand or
 10 mature at such time, or times, bear interest at a rate or rates, be in such
 11 denomination or denominations, be in such form either with or without coupon
 12 or registered, carry such conversion or registration privileges, have such
 13 rank or priority, be executed in such manner, be payable in such medium of
 14 payment, at such place or places, and be subject to such terms of repayment,
 15 at such place or places, and be subject to such terms of redemption, (with or
 16 without premium), be secured in such manner, and have such other character-
 17 istics, as may be provided by such resolution or ordinance, or trust inden-
 18 ture or mortgage issued pursuant thereto.

19 (d) Such bonds may be sold at not less than par at public or private
 20 sales held after notice published prior to such sale in a newspaper having a
 21 general circulation in the area of operation and in such other medium of pub-
 22 lication as the agency may determine or may be exchanged for other bonds on
 23 the basis of par: ~~P~~provided, that such bonds may be sold to the federal gov-
 24 ernment at private sale at not less than par, and, in the event less than all
 25 of the authorized principal amount on such bonds is sold to the federal gov-
 26 ernment, the balance may be sold at private sale at not less than par at an in-
 27 terest cost to the agency of not to exceed the interest cost to the agency of
 28 the portion of the bonds sold to the federal government.

29 (e) In case any of the officials of the urban renewal agency whose sig-
 30 natures appear on any bonds or coupons issued under this ~~aet~~ chapter shall
 31 cease to be such officials before the delivery of such bonds, such signatures
 32 shall, nevertheless, be valid and sufficient for all purposes, the same as
 33 if such officials had remained in office until such delivery. Any provision
 34 of any law to the contrary notwithstanding, any bonds issued pursuant to this
 35 ~~aet~~ chapter shall be fully negotiable.

36 (f) In any suit, action or proceeding involving the validity or en-
 37 forceability of any bond issued under this ~~aet~~ chapter or the security
 38 therefor, any such bond reciting in substance that it has been issued by the
 39 agency in connection with an urban renewal project, as herein defined, shall
 40 be conclusively deemed to have been issued for such purpose and such project
 41 shall be conclusively deemed to have been planned, located and carried out in
 42 accordance with the provisions of this ~~aet~~ chapter.